

PRIDE GENERAL TERMS AND CONDITIONS

1. OFFER, CONFIRMATION AND AGREEMENT

These terms and conditions of commercial sale (“Terms and Conditions”) of Pride Sports, a division of Pride Manufacturing Company, LLC (“Pride”) apply to and form an integral part of all quotations and offers made by Pride, all acceptances, acknowledgements and confirmations by Pride of any orders by you (“Buyer”) and any agreements (“Agreements”) regarding the sale by Pride and purchase by Buyer of goods and services (collectively, “Products”), unless and to the extent Pride explicitly agrees otherwise in writing.

Pride’s offers are open for acceptance within the period stated by Pride in the offer or, when no period is stated, within thirty (30) days from the date of the offer, but any offer may be withdrawn or revoked by Pride at any time prior to the receipt by Pride of Buyer’s acceptance thereof.

2. ENTIRE AGREEMENT

These Terms and Conditions, together with the invoice to which these Terms and Conditions are attached and any related quotation or offer by Pride, order acceptance, acknowledgement or confirmation by Pride and Agreement, constitute the entire agreement between Pride and Buyer relating to the applicable Products (each, an “Integrated Agreement”), and all prior agreements, correspondence, discussions, negotiations and understandings of the parties (whether oral or written) are merged herein and made a part hereof, it being the intention of the parties that the Integrated Agreement shall serve as the complete and exclusive statement of the terms of their agreement together. No modification to any Integrated Agreement shall be valid unless in writing and signed by an authorized representative of each the parties. Any terms and conditions set forth on any document or documents issued by Buyer either before or after issuance of any document by Pride setting forth or referring to these Terms and Conditions are hereby explicitly rejected and disregarded by Pride, and any such terms shall be wholly inapplicable to any sale made by Pride to Buyer and shall not be binding in any way on Pride.

3. PRICING

Prices in any offer, confirmation or Agreement are in U.S. Dollars, based on delivery ExWorks (INCOTERMS latest version) Pride’s manufacturing facility or other facility designated by Pride unless agreed otherwise in writing between Buyer and Pride and do not include any taxes, duties or similar levies, now or hereafter enacted, applicable to the Products or any other expenses. Pride will add taxes, duties and similar levies to the sales price where Pride is required or enabled by law to pay or collect them, and these will be paid by Buyer together with the price.

4. PAYMENT

(a) Unless agreed otherwise between Pride and Buyer in writing, Pride may invoice Buyer for the price of the Products delivered upon delivery of the Products in accordance with the applicable INCOTERMS. Net payment is due within thirty (30) days of date of invoice unless agreed otherwise between Pride and Buyer in writing. All payments shall be made to the designated Pride address. If deliveries are made in installments, each installment may be separately invoiced and shall be paid for when due. No discount is allowed for early payment unless agreed to in writing by Pride. In addition to any other rights and remedies Pride may have under applicable law, interest will accrue on all late payments at the lesser of the rate of eighteen percent (18%) per annum or the highest rate permitted by applicable law, from the due date until payment in full.

(b) All deliveries of Products agreed to by Pride shall at all times be subject to credit approval of Pride. If, in Pride’s judgment, Buyer’s financial condition at any time does not justify production or delivery of

Products on the above payment terms, Pride may require full or partial payment in advance or other payment terms as a condition to delivery, and Pride may suspend, delay or cancel any credit, delivery or other performance by Pride.

(c) In the event of any default by Buyer in the payment of any fees or charges due, or any other default by Buyer, Pride shall have the right to refuse performance and/or delivery of any Products until payments are brought current, and Pride may suspend, delay or cancel any credit, delivery or other performance by Pride. Such right shall be in addition to, and not in lieu of, any other rights and remedies available under the Agreement or at law.

5. DELIVERY AND QUANTITIES

(a) Products shall be delivered ExWorks (INCOTERMS latest version) as designated by Pride, unless otherwise agreed in writing. Delivery dates communicated or acknowledged by Pride are approximate only, and Pride shall not be liable for, nor shall Pride be in breach of its obligations to Buyer, for any delivery made within a reasonable time before or after the communicated delivery date. Pride agrees to use commercially reasonable efforts to meet the delivery dates communicated or acknowledged by it on the condition that Buyer provides all necessary order and delivery information sufficiently prior to the delivery date.

(b) Buyer shall give Pride written notice of failure to deliver and thirty (30) days within which to cure. If Pride does not deliver within such thirty (30) day period, Buyer's sole and exclusive remedy is to cancel the affected and undelivered portions of the related Agreement.

(c) Title to the Products shall pass to Buyer F.O.B. delivery. Until title to the Products has passed to Buyer, Buyer shall not assimilate, transfer or pledge any of the Products, or grant any right in or title to the Products to any third party, except in the event such right or title is granted in normal course of business. Buyer shall ensure that the Products remain identifiable as Products obtained from Pride. Buyer shall at all times grant Pride (or its representative) free access to the location where Buyer has stored the Products.

(d) In the event Pride's production is curtailed for any reason, Pride shall have the right to allocate its available production and Products, in its sole discretion, among its various customers and as a result may sell and deliver to Buyer fewer Products than specified in the Agreement without being responsible or liable to Buyer for any damage resulting therefrom.

6. FORCE MAJEURE

Pride shall not be liable for any failure or delay in performance if: (i) such failure or delay results from interruptions in the Product manufacturing process; or (ii) such failure or delay is caused by Force Majeure (as defined below and/or by applicable case law).

In case of such a failure as set forth above, the performance of the relevant part(s) of the Agreement will be suspended for the period such failure continues, without Pride being responsible or liable to Buyer for any damage resulting therefrom.

"Force Majeure" shall mean and include any circumstances or occurrences beyond Pride's reasonable control, whether or not foreseeable at the time of the Agreement, as a result of which Pride cannot reasonably be required to execute its obligations, including, without limitation, acts of God, fire, natural disasters, war, insurrections, acts of terrorism, government restrictions and default by one of Pride's suppliers. In the event that the Force Majeure extends for a period of three (3) consecutive months (or in the event that the delay is reasonably expected by Pride to extend for a period of three (3) consecutive months), Pride shall be entitled to cancel all or any part of the Agreement without any liability towards Buyer.

7. RIGHTS IN INTELLECTUAL PROPERTY

Subject to the provisions set forth herein, the sale by Pride of any Products implies the non-exclusive and non-transferable limited license to Buyer under any of Pride's and/or its affiliates' intellectual property rights ("Pride IPR") used in the Products to use and resell the Products as sold by Pride to Buyer.

Notwithstanding anything to the contrary herein, these Terms and Conditions shall not be construed as conferring any right, license or immunity, either directly or by implication, estoppel or otherwise to Buyer or any third party under any Pride IPR or intellectual property rights of any third party other than explicitly granted under these Terms and Conditions.

Buyer shall not: (a) modify, adapt, alter, translate, or create derivative works from Pride IPR provided by Pride in conjunction with any Products; or (b) assign, sublicense, lease, rent, loan, transfer, disclose, or otherwise make available such Pride IPR.

8. LIMITED WARRANTY AND DISCLAIMER

(a) Pride warrants that under normal use in accordance with the applicable user manual the Products shall, at the time of delivery to Buyer and for a period of twelve (12) months from the date of delivery (or such other period as may be agreed upon in writing by the parties, or as communicated in writing at sale by Pride), be free from defects in material or workmanship and shall substantially conform to Pride's specifications for such Product, or such other specifications as Pride has agreed to in writing, as applicable. Labor costs, (de)mounting and/or (de)installation are excluded from this warranty. Pride's sole and exclusive obligation, and Buyer's sole and exclusive remedy, with respect to claims under this warranty shall be limited, at Pride's option, to (i) the repair or replacement by Pride of the defective or non-conforming Product, or (ii) to the provision by Pride of an appropriate credit for the purchase price thereof. Pride will have a reasonable time to repair, replace or credit. Pride is entitled at its option to replace the defective or non-conforming Product(s) with a product that has minor deviations in design and/or specifications not affecting the functionality of the agreed Product(s). The non-conforming or defective Products shall become Pride's property as soon as they have been replaced or credited.

(b) Buyer may ship Products returned under warranty to Pride's designated facility only in conformance with Pride's then-current return material authorization policy. Where a warranty claim is justified (in Pride's sole discretion), Pride will pay for freight expenses. Buyer shall pay for returned Products that are not found to be defective or non-conforming together with the freight, testing and handling costs associated therewith.

(c) Notwithstanding the foregoing, Pride shall have no obligations under warranty if the alleged defect or non-conformance is found to have occurred as a result of environmental or stress testing, misuse, use other than as set forth in the applicable user manual, neglect, improper installation or accident, or as a result of improper repair, alteration, modification, storage, transportation or improper handling.

(d) Subject to the exclusions and limitations set forth in Section 10 of these Terms and Conditions, the foregoing states the entire liability of Pride and its affiliates in connection with defective or nonconforming Products supplied hereunder.

(e) EXCEPT FOR THE WARRANTY SET FORTH IN SECTION 8(a) ABOVE, PRIDE MAKES NO REPRESENTATIONS OR WARRANTIES OR ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND TITLE/NON-INFRINGEMENT, CONCERNING ANY PRODUCT.

9. INTELLECTUAL PROPERTY RIGHTS INDEMNIFICATION

(a) Pride, at its sole expense, shall: (i) defend any legal proceeding brought by a third party against Buyer to the extent that the proceeding includes a claim that any Product as furnished by Pride under an

Agreement directly infringes the claimant's patent, copyright, trademark, trade secret or other intellectual property rights; and (ii) indemnify and hold harmless Buyer from and against any and all damages and costs awarded by final judgment in such proceeding to the extent directly and solely attributable to such infringement.

(b) Pride shall have no obligation or liability to Buyer under Section 9(a) above:

(1) if Pride is not: (i) promptly notified in writing of the claim; (ii) given the sole right to control and direct the investigation, preparation, defense and settlement of the claim, including the selection of counsel; and (iii) given full reasonable assistance and cooperation by Buyer in such investigation, preparation, settlement and defense;

(2) if the claim is made after a period of three (3) years from the date of delivery of the Product;

(3) to the extent the claim arises from: (i) modification of the Product if the claim of infringement would have been avoided by use of the unmodified Product; or (ii) design, specifications or instructions furnished by Buyer;

(4) to the extent the claim is based directly or indirectly upon the quantity or value of products manufactured by means of the Product or upon the frequency of use or the amount of use of the Product irrespective of whether the claim alleges that the Product as such, or its use, infringes or contributes to the infringement of any intellectual property rights of the claimant;

(5) to the extent the claim arises from use of the Product beyond the specifications or instructions provided by Pride;

(6) to the extent the claim arises from Buyer's manufacture, use, sale, offer for sale, importation or other disposition or promotion of the Product after Pride's notice to Buyer that Buyer should cease any such activity, provided such notice shall only be given if the Product is, or in Pride's opinion is likely to become, the subject of such a claim of infringement;

(7) for any costs or expenses incurred by Buyer in connection with the claim without Pride's prior written consent;

(8) to the extent the claim is based on any prototypes, open source software or software provided by Buyer or any of its designees to Pride and/or its affiliates;

(9) to the extent the claim arises from any infringement or alleged infringement of a third party's intellectual property rights covering a standard set by a standard setting body and/or agreed between at least two companies;

(10) to the extent the claim arises from infringement of any third party's intellectual property rights covering the manufacture, testing or application of any assembly, circuit, combination, method or process in which the Product may have been used; or

(11) to the extent the claim arises from infringement of any third party's intellectual property rights with respect to which Pride or any of its affiliates has informed Buyer, or has published (in a datasheet or other specifications concerning the Product or elsewhere) a statement, that a separate license must be obtained.

(c) Buyer shall indemnify Pride and its affiliates and hold each of them harmless from and against any and all losses, damages, liabilities, claims, actions, suits, demands, judgments, fines, penalties, fees, costs and expenses (including reasonable attorneys' fees) (collectively, "Losses") resulting from or arising out of any claim described in Section 9(b) above, provided Pride gives Buyer prompt notice in writing of any such claim or proceeding.

(d) If any Product is, or in Pride's opinion is likely to become, the subject of a claim of infringement as referred to under Section 9(a) above or if Pride receives notice from a third party alleging infringement of third party intellectual property rights in relation to any of the Products, Pride shall have the right, without obligation or liability and at its sole option, to: (i) procure for Buyer the right to continue to use or sell the Product; (ii) provide replacement Product with a non-infringing product; (iii) modify the Product in such a way as to make the modified Product non-infringing; (iv) repurchase such Product from Buyer at the initial price paid by Buyer less reasonable depreciation; (v) suspend or discontinue delivery to Buyer of the Products or parts to which such alleged infringement relates; or (vi) terminate any Agreement to the extent related to such Product.

(e) Subject to the exclusions and limitations set forth in Section 10 of these Terms and Conditions, the foregoing states Pride's entire liability and obligation to Buyer and Buyer's sole remedy with respect to any actual or alleged infringement of any intellectual property rights or any other proprietary rights of any kind.

10. LIMITATION OF LIABILITY

(a) NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN ANY AGREEMENT, IN NO EVENT SHALL PRIDE BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, SPECIAL OR EXEMPLARY DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, ANY DAMAGES RESULTING FROM LOST PROFITS, LOSS OF ANTICIPATED SAVINGS, LOSS OF REVENUE, LOST DATA, LOSS OF GOODWILL, LOSS OF BUSINESS OR BUSINESS INTERRUPTION) ARISING OUT OF OR IN CONNECTION WITH ANY AGREEMENT OR THE SALE OF ANY PRODUCTS BY PRIDE OR THE USE THEREOF, WHETHER BASED ON TORT, WARRANTY, CONTRACT OR ANY OTHER LEGAL THEORY AND WHETHER OR NOT PRIDE HAS BEEN ADVISED, OR IS AWARE, OF THE POSSIBILITY OF SUCH DAMAGES.

PRIDE'S MAXIMUM AGGREGATE LIABILITY TO BUYER UNDER ANY AGREEMENT SHALL NOT EXCEED TEN PERCENT (10%) OF THE AGGREGATE AMOUNT PAID BY BUYER UNDER THE AGREEMENT.

(b) Any claim of Buyer for damages must be brought by Buyer within ninety (90) days of the date of the event giving rise to any such claim, and any lawsuit relative to any such claim must be filed within one (1) year of the date of the claim. Any claims that have been brought or filed not in accordance with the preceding sentence are null and void.

(c) The limitations and exclusions set forth above in this Section 10 shall apply only to the extent permitted by applicable mandatory law.

11. CONFIDENTIALITY

Buyer acknowledges that all technical, commercial and financial data disclosed to Buyer by Pride and/or its affiliates is the confidential information of Pride and/or its affiliates. Buyer shall not disclose any such confidential information to any third party and shall not use any such confidential information for any purpose other than as agreed by the parties and in conformance with the purchase transaction contemplated herein.

12. EXPORT/IMPORT CONTROLS

Buyer understands that certain transactions of Pride are subject to export control laws and regulations, including, but not limited to, UN, EU and U.S. export control laws and regulations (collectively, "Export Regulations"), which prohibit export or diversion of certain products and technology to certain countries. Any and all obligations of Pride to export, re-export or transfer Products as well as any technical assistance, training, investments, financial assistance, financing and brokering will be subject in all respects to such Export Regulations and will from time to time govern the license and delivery of Products

and technology abroad by persons subject to the jurisdiction of the relevant authorities responsible for such Export Regulations. If the delivery of products, services and/or documentation is subject to the granting of an export or import license by certain governmental authorities or otherwise restricted or prohibited due to export/import control regulations, Pride may suspend its obligations and Buyer's/end-user's rights until such license is granted or for the duration of such restrictions or prohibitions. Furthermore, Pride may terminate the relevant order in all cases without incurring any liability towards Buyer or the end-user.

Buyer warrants that it will comply in all respects with the export, re-export and transfer restrictions set forth in such Export Regulations or in export licenses (if any) for every Product supplied to Buyer. Buyer accepts the responsibility to impose all export control restrictions to any third party if the items are transferred or re-exported to third parties. Buyer shall take all actions that may be reasonably necessary to ensure that no customer/purchaser or end-user contravenes such Export Regulations. Buyer shall indemnify Pride and its affiliates and hold each of them harmless from and against any and all Losses resulting from or arising out of Buyer's or its customers' breach or non-compliance with this Section 12.

Buyer acknowledges that the obligations contained in these Terms and Conditions shall survive the termination of any Agreement or other arrangement under which the Products were provided to Buyer. In addition, in the event of any conflict between the terms contained in these Terms and Conditions and the terms of any other agreement, instrument or other document entered into between Buyer and Pride, Buyer understands that the terms of these Terms and Conditions shall control and be binding upon Buyer.

13. ASSIGNMENT; OFFSET

Buyer shall not assign any rights or obligations under any Agreement or these Terms and Conditions without the prior written consent of Pride. Buyer shall have no right to offset against any payments due for Products sold under any Agreements or these Terms and Conditions any amounts owed to Buyer under any other agreement, instrument, arrangement Buyer may have with, or claim Buyer may have against, Pride or any of its affiliates, and Buyer agrees to pay the amounts due hereunder regardless of any claimed offset which may be asserted by Buyer or on its behalf.

14. ANTI-BRIBERY

Buyer agrees that it now and in the future shall comply with national law on prevention of bribery, as well as any other law transforming from ratification of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (including the U.S. Foreign Corrupt Practices Act). In general, the law makes it illegal to bribe or make a corrupt payment to an official for the purpose of obtaining or retaining business, directing business to any person, or securing any improper advantage.

Buyer's failure to comply with any provision of this Section 14 is grounds for immediate termination of any Agreement by Pride (or its respective affiliate(s)), without Pride incurring any liability towards Buyer. In the event of such termination, (i) Pride shall be under no obligation to supply any Product to Buyer, (ii) Buyer shall indemnify Pride and its affiliates and hold each of them harmless from and against any and all Losses resulting from or arising out of Buyer's breach of this Section 14; and (iii) Pride shall be entitled to any other remedies available at law or in equity. The terms and conditions of this Section 14 shall survive any expiration or termination of any Agreement and these Terms and Conditions.

Pride will only do business with those companies that respect the law and adhere to ethical standards and principles. Should Pride receive any information to the contrary, Pride will inform Buyer and Buyer agrees to cooperate and provide whatever information is necessary to allow Pride to decide whether there is any basis to any allegation received and whether the Agreement should continue. Such information includes, but is not limited to, books, records, documents, or other files.

15. GOVERNING LAW; VENUE

Each Integrated Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Tennessee, without application of choice of law or conflicts of law principles. Buyer and Pride irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the courts of the State of Tennessee and the United States of America located in Nashville, Tennessee for any actions, suits or proceedings arising out of or relating to any Integrated Agreement. Each of Buyer and Pride irrevocably and unconditionally waives any right to trial by jury. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to any Integrated Agreement. Nothing in this Section 15 shall be construed or interpreted as a limitation on either Pride's or Buyer's right under applicable law for injunctive or other equitable relief or to take any action to safeguard its possibility to have recourse on the other party.

16. BREACH AND TERMINATION

Without prejudice to any rights or remedies Pride may have under any Integrated Agreement or at law, Pride may, by written notice to Buyer, terminate with immediate effect any Integrated Agreement or any part thereof without any liability whatsoever, if:

- (a) Buyer violates or breaches any of the provisions of any Integrated Agreement (including, without limitation, any provision of these Terms and Conditions); or
- (b) any proceedings in insolvency, bankruptcy (including reorganization) liquidation or winding up are instituted against Buyer, whether filed or instituted by Buyer, voluntary or involuntary, a trustee or receiver is appointed over Buyer, or any assignment is made for the benefit of creditors of Buyer.

Upon occurrence of any of the events referred to above, all payments to be made by Buyer under any Integrated Agreement shall become immediately due and payable. In the event of cancellation, termination or expiration of any Integrated Agreement, the terms and conditions therein destined to survive such cancellation, termination or expiration shall so survive.

17. MISCELLANEOUS

(a) In the event that any provision of any Integrated Agreement (including, without limitation, any provision of these Terms and Conditions) shall be held invalid or unenforceable by a court of competent jurisdiction or by any future legislative or administrative action, such holding or action shall not negate the validity or enforceability of any other provisions thereof. In the event that any provision of any Integrated Agreement (including, without limitation, any provision of these Terms and Conditions) shall finally be determined to be unlawful or unenforceable, such provision shall be deemed severed from such Integrated Agreement, but every other provision shall remain in full force and effect, and in substitution for any such provision held unlawful or unenforceable, there shall be substituted a provision of similar import reflecting the original intent of the clause to the extent permissible under applicable law.

(b) The failure on the part of either party to exercise, or any delay in exercising, any right or remedy arising from any Integrated Agreement shall not operate as a waiver thereof; nor shall any single or partial exercise of any right or remedy arising therefrom preclude any other or future exercise thereof or the exercise of any other right or remedy arising from such Integrated Agreement or from any related document or by law.

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